GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:2130
ANSWERED ON:10.03.2016
Passenger Cargo
Patel Shri Prahlad Singh

Will the Minister of SHIPPING be pleased to state:

(a) whether the Government proposes to opt/utilize sea route for transporting passenger cars and other new branded vehicles for domestic markets across the country;
(b) if so, the details thereof along with the number of companies utilising opting the same at present;
(c) whether the Government proposes to give incentives and tax exemption to companies for using sea route for domestic freight transportation in the country; and
(d) if so, the details thereof and the other steps being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING
(SHRI PON. RADHAKRISHNAN)
(a)&(b):Yes, Madam. At present M/s Link Shipping Agents of M/s Symex Maritime Inc., Singapore, M/s Hyundai Motor India Ltd., M/s Ford, M/s Renault Nissan , M/s Leyland, & M/s SICAL Logistics Pvt. Ltd. are utilizing the option at various ports.

(c)&(d):Ministry of Shipping has launched a Scheme called "Scheme for Incentivizing Modal Shift of Cargo" or "SIMSC". The Scheme broadly covers the following:-

The incentives under SIMSC will be provided to the beneficiaries for undertaking transportation of the following categories of cargo through Indian flag vessels, River Sea Vessels or barges on coastal shipping and inland waterways routes, namely:-
(i) Transportation of bulk or break − bulk cargo pertaining to seven commodities viz. Fertilizers, food grains, marbles, tiles, sugar, edible salt and over − dimensional cargo, shall be eligible for an incentive @ Re. 1 per tonne per nautical mile upto a maximum of 1,500 nautical miles in each trip starting from origin and ending at the destination. The number and type of commodities under this head are subject to revision by the Government from time to time.

(ii) Transportation of any commodity in containers in Full Container Load (FCL) shall be eligible for an incentive @ Rs.3,000/- per TEU. Thus transportation of any commodity through forty feet or other larger sized containers shall be incentivised based on number of times the said container size can be converted into TEUs.

(iii) Transportation of vehicles through Ro-Ro Vessels shall be eligible for the following incentives:
(a) Incentive @ Rs. 300/- per two-wheeler vehicle;
(b) Incentive @ 600/- per three-wheeler vehicle; and
(c) Incentive @ Rs.3,000/- for other vehicles.

In addition, as per TAMP guidelines Concession on Tariff is permitted and accordingly, the cargo/container related charges for all Coastal Cargo other than Iron Ore, Thermal Coal and POL should not exceed 60% of the normal charges.
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